

DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, CA 95814

Telephone: (916) 445-0633



September 24, 1980

ALL-COUNTY INFORMATION NOTICE I-105-80

TO: ALL COUNTY WELFARE DIRECTORS

SUBJECT: ANGUS v. WOODS

REFERENCE:

This letter is to inform you of litigation in progress in the Federal District Court in San Francisco in the case of Angus v. Woods. At issue is whether State Aid to Families with Dependent Children (AFDC) regulations and policy concerning the recovery of willfully caused AFDC overpayments are consistent with the requirements of federal regulations.

On August 25, 1980, the court issued a classwide Preliminary Injunction enjoining the Department of Social Services (DSS) and all county welfare departments (CWD) to cease all collection of willfully caused overpayments of Aid to Families with Dependent Children benefits from current assistance grants from AFDC recipients.

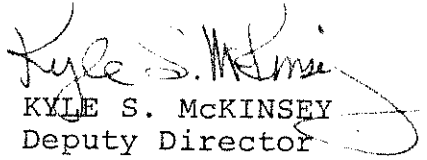
The court found that the Department's present regulations regarding recoupment for the recovery of willfully caused AFDC overpayments, insofar as they do not provide a process for consideration of the individual facts of each recipient family's financial circumstances in determining undue hardship in connection with a grant adjustment, are invalid in light of the provisions of 45 CFR § 233.20(a)(12)(f).

The court stayed the Preliminary Injunction for seventy (70) days from the date of the order to provide the Department time to issue and implement regulations which will correct the invalidity of present regulations as indicated by the court. The Department is in the process of developing regulations to comply with the order of the court. You will be kept informed of any new developments requiring your action.

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If you have any questions, please contact your AFDC Management Consultant at (916) 445-4458.

Sincerely,


KYLE S. MCKINSEY
Deputy Director

cc: CWDA